



Wyoming-Kentwood Area Chamber of Commerce  
*Founded 1980*

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INTEROFFICE MEMO

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Statement to the House Energy & Technology Committee  
Michigan House of Representatives

by

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James E. Bartek, Chairman, Government Matters Committee

Wyoming and Kentwood are the two large suburbs on Grand Rapids south side, totaling 51 square miles, home to 118,000 residents and nearly 4,200 business entities. If the two cities were combined into a single municipality, it would rank as Michigan's fifth largest city, just 1,000 in population behind the City of Lansing.

The Chamber of Commerce in Wyoming-Kentwood is celebrating its 25<sup>th</sup> anniversary, having been incorporated in August 1980. Our Membership is comprised of 700 business, non-profit and public entity organizations and our Mission is "Building Better Communities by Building Better Businesses".

Our membership is a cross-section of the entire business community, ranging in size from large manufacturing firms like General Motors, Steelcase, Amerikam and Lacks Enterprises, financial institutions like Fifth Third Bank, BankOne, Mercantile Bank, National City Bank, and Lake Michigan and Bell Com Credit Unions to businesses like Branns Steakhouse, Good Metals Company and small firms like Chameleon, Ltd and Grand Exhibits. We also represent medical and professional practices, retail stores,

industrial, real estate, commercial and service business. Metropolitan Hospital holds a seat at our Board of Directors table along with firms like Gordon Food Service, TDS metrocom, Consumers Energy, SBC, DTE Energy, Brannns Steakhouse, Loeks Theaters and smaller firms like Achievement Resources, Result Global, Chameleon, Ltd and WalVac, Inc.

Last month, our Government Matters Committee and our Board of Directors both voted unanimously to adopt as a Legislative Priority the Telecommunications policy of the Michigan Chamber of Commerce. We feel that it is vital to the interests of the people of Michigan that we finally join the other 49 states in the economic recovery that has been underway since 2003. An intelligent update to our Telecommunications Act is an important step in that direction.

There are many factors at play here contributing to our sluggish economy, not the least of which is stiff manufacturing competition from other states and countries. Factors making it expensive for our Michigan businesses to compete include less-than-state-of-the-art communications technology, increased regulation and higher tax rates.

As you address a re-write of the Michigan Telecommunications Act, you have an opportunity to help mitigate one of those factors. In order to compete in a worldwide market – and, indeed, in an Inter-State market – our businesses need the latest telecommunications technology at a very competitive cost.

Michigan needs to be an attractive place to which capital investment will flow in technology and related areas. New services are being developed quickly that our private-sector members can exploit to help them do more business in their own competitive markets. They can also help our public-sector members provide more user-friendly services to their tax-paying constituents, as well.

I have heard it said that it is now commonplace for technologies to get together and, overnight, "have babies". Broadband digital service via cable TV was one from back in 2000 and Voice-Over-Internet-Protocol has taking hold this year, as is community-wide wireless internet access.

Michigan's Telecommunications Act needs to be updated and flexible to anticipate these and other, as yet, un-developed technologies. The best way to do that, in our view, is to provide a level playing field in our state for all telecom providers so that they all may have a reasonable opportunity to compete and be encouraged to make investment in new technology infrastructure. The bill before you focuses primarily on basic land-line telephone service, but the concepts we mention here applies in this market, too.

The Wyoming-Kentwood Area Chamber of Commerce believes that, in 2006 and beyond, our business and other members, as well as their employees and families, will benefit from open and competitive markets with free-market forces at play. We ask that as you craft this legislation that you encourage competition and foster private sector development of Michigan's telecommunications infrastructure with tax rates and regulations that compete favorably with neighboring states.

Thank you for hard work on this Telecommunications bill, thank you for moving Michigan forward - and thank you for the opportunity to express our views.